

STATE BOARD OF FINANCE
October 9, 2018 – 1:00 PM
Summary Minutes

Location:

Via videoconference at the following locations:

Old Assembly Chambers	Governor's Office Conference Room
Capitol Building, Second Floor	555 E Washington Avenue, Suite 5100
101 N. Carson Street	Las Vegas, NV 89101
Carson City, NV 89701	

Governor Sandoval called the meeting to order at 1:00 P.M.

Board members present:

Governor Brian Sandoval – Carson City
Treasurer Dan Schwartz – Las Vegas
Teresa Courier – Carson City
Brian Sagert – Las Vegas
Controller Knecht – Carson City

Others present:

Tara Hagan – Chief Deputy Treasurer
Dennis Belcourt – Deputy Attorney General
CJ Manthe – Nevada Department of Business and Industry
Stephen Aichroth – Nevada Housing Division
Michael Holliday – Nevada Housing Division
Fred Eoff – Public Financial Management
Joshua Bertain – Praxis Consulting Group
Eric Novak – Praxis Consulting Group
Alan Molasky – Ovation Affordable Housing, LLC
Lorri Murphy – Ovation Affordable Housing, LLC

Agenda Item 1 – Public Comment.

No public comment in Carson City or Las Vegas.

Agenda Item 2 – For discussion and possible action – Approval of the Board of Finance minutes from the meeting held on August 14, 2018.

Teresa Courier moved to approve the minutes. Treasurer Schwartz seconded the motion. Motion passed unanimously. Controller Knecht abstained due to the fact he was not present at the meeting on August 14, 2018.

Agenda Item 3 – **For discussion and possible action:** Discussion and possible action on the Nevada Housing Division's request to approve the Administrator's Findings of Fact pertaining to the issuance of up to \$25,000,000 of Multi-Unit Housing Revenue Bonds (Oquendo Senior Apartments), for the purpose of construction of a 201-unit affordable housing rental project in Clark County, Nevada. The project owner/developer will be a limited partnership entity comprised of Ovation Affordable Housing, Inc. (an affiliate of Ovation Development Corporation) and Coordinated Living of Southern Nevada, Inc. Wells Fargo Community Lending and Investment will be the equity investor limited partner. Approval of the Board of Finance is required pursuant to NRS 319.270(4)

Mr. Aichroth presented the Nevada Housing Division's request to approve the Administrator's Findings of Fact pertaining to the issuance of up to \$25,000,000 of multi-unit housing revenue bonds for the Oquendo Senior Apartments. He noted that the bonds will be used to provide for the new construction of a 201-unit affordable senior apartment complex in southwest Las Vegas valley near the intersection of Russel Road and Durango road. The rental housing will serve 201 households at or below 60% of the area medium income. Mr. Aichroth stated the project will be co-developed by Ovation Development Corporation and Coordinated Living of Southern Nevada. The Housing Division will be the conduit issuer on the project and there will be no liability for the repayment of the bonds for the State of Nevada. The project will be structured in two phases; the construction phase and the permanent phase with construction debt being placed directly with Wells Fargo and the permanent debt being placed with Barings LLC. Wells Fargo Community Lending will act as the investor member and will provide an equity investment of approximately \$13,592,000, in exchange for the 4% low income housing tax credit.

Mr. Fred Eoff provided an overview of the property and financing and noted that he anticipated the final numbers to be very similar to those noted in the Board materials.

Governor Sandoval asked when they expect the construction to begin and the estimated completion date of the project. Mr. Eoff stated that they expect the closing to occur in mid-December, the construction will commence in late February or early March 2019 with an estimated completion date approximately 18 – 24 months later.

Governor Sandoval asked what is the age group that defines senior and makes them eligible to take advantage of the property. Mr. Aichroth explained there must be one individual in the household that is 55 years of age or older.

Governor Sandoval asked how they determine who gets to occupy the premises. Mr. Eoff stated it's on a first come first serve as far as occupying the premises.

Controller Knecht asked if there was anything, such as shopping centers, hospitals, etc. within walking distance of the property. Mr. Molasky, developer of the project, stated that right next door there are restaurants, an urgent care, medical services and a shopping center that is a half mile up the road. He also noted that there are bus routes very close by.

Controller Knecht moved to approve Agenda Item 3. Teresa Courier seconded the motion. Motion passed unanimously.

Agenda Item 4 - Board Members' comments, including discussion of future agenda items and status of past, present and future projects or other matters within the Board's jurisdiction.

No comments from Board Members

Agenda Item 10 – Public Comment

No public comment in Carson City or Las Vegas.

Meeting adjourned at 1:21-pm.